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BLANCHARD, WALKER, O'QUIN & ROBERTS
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September 25, 2006

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

WM. TIMOTHY ALLEN, III

Direct: 318.934.0217

Email: tallen@bwor.com

RE: HEARING APPLICATION
Substitute Unit Well at Exceptional Location
BROYLES RA SUA
West Simsboro Field
Lincoln Parish, Louisiana
Our File No.250219.7

Dear Sir:

On behalf of ENSIGHT III ENERGY MANAGEMENT, LLC, application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Broyles Zone, Reservoir A, in the West Simsboro Field, Lincoln Parish, Louisiana:

1. To permit the applicant to designate and utilize a substitute unit well for BROYLES RA SUA, at the location shown on the plat attached hereto, in exception to the well spacing provisions of Office of Conservation Order No. 327-E, effective March 5, 1991.
2. To explicitly find that the abovesaid substitute unit well is necessary to drain a portion of the Broyles Zone, Reservoir A, in the West Simsboro Field underlying BROYLES RA SUA, which cannot be efficiently and economically drained by any existing well in such units.
3. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Broyles Zone, Reservoir A, in the West Simsboro Field, Lincoln Parish, Louisiana, is fully defined in Office of Conservation Order No. 327-E, effective March 5, 1991.

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements, are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, Chase Tower, 400 Texas Street, Shreveport, Louisiana 71163-1126. Any person wishing to inspect such data should call Wm. Timothy Allen III at (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

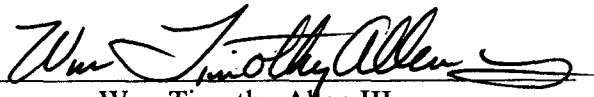
A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

A check in the amount of \$755.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By: 
Wm. Timothy Allen III
Attorneys for Ensign III Energy Management, LLC

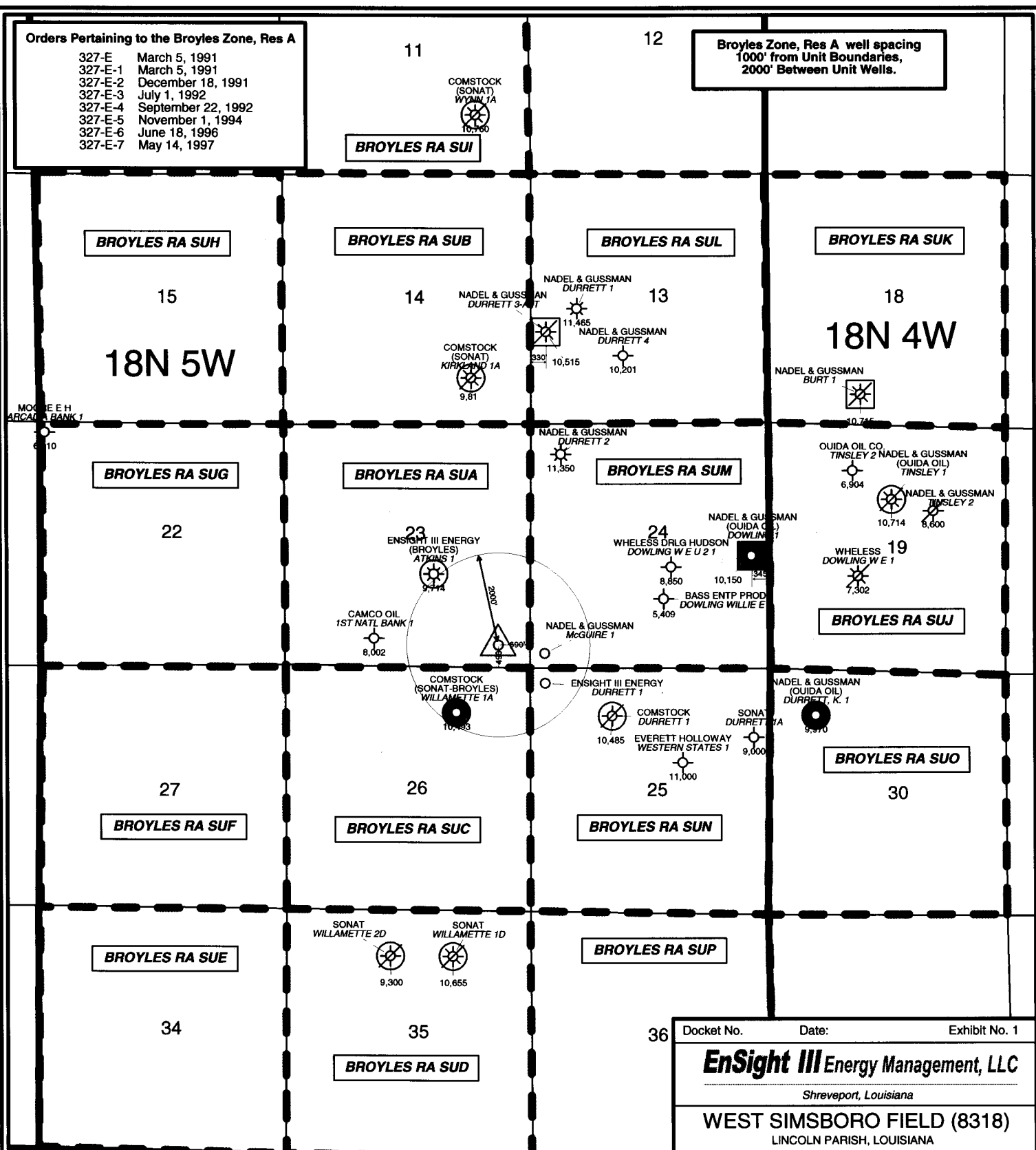
WTAIII:kml
Enclosures

cc: Mr. James C. Broussard, Shreveport
District Manager (w/enclosures)
cc: Interested Owners, Represented Parties
and Interested Parties (w/copy of plat only)

Orders Pertaining to the Broyles Zone, Res A

327-E March 5, 1991
 327-E-1 March 5, 1991
 327-E-2 December 18, 1991
 327-E-3 July 1, 1992
 327-E-4 September 22, 1992
 327-E-5 November 1, 1994
 327-E-6 June 18, 1996
 327-E-7 May 14, 1997

Broyles Zone, Res A well spacing
 1000' from Unit Boundaries,
 2000' Between Unit Wells.



LEGEND

- Existing Broyles Zone, Reservoir A Sand Units
- Active Unit Well at a Legal Location
- Inactive Unit Well at a Legal Location (Well Shut-in)
- Plugged Unit Well at a Legal Location
- Active Unit Well at an Exception Location
- Inactive Unit Well at an Exception Location
- Recently Approved L HOSS RA well at an Exception Location
- Proposed Substitute Unit Well at an Exception Location

Docket No. Date: Exhibit No. 1

EnSight III Energy Management, LLC

Shreveport, Louisiana

WEST SIMSBORO FIELD (8318)
 LINCOLN PARISH, LOUISIANA

UNIT PLAT
 Broyles Zone, Reservoir A

Proposed Substitute Unit Well
 at an Exception Location

(BROYLES RA SUA)

Sec.23, T18N-R5W

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